

TENNESSEE REGULATORY AUTHORITY

Pat Miller, Chairman
Deborah Taylor Tate, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

May 24, 2005

Southern Telcom Network, Inc.
Attention Kathy Robins
P O. Box 1161
Mountain Home, Arkansas 72653

RE Application for Certificate to Provide Competing Local Telecommunications Service
Docket 05-00142

Dear Ms. Robins:

CLEC applicants are required, by statute, to demonstrate their managerial, financial and technical abilities to provide the services for which they seek authority. To assist the Authority in its review of Southern Telcom Network, Inc.'s application for a Certificate of Convenience and Necessity to provide competing non-facilities based and resold local service in Tennessee, you are requested to provide the following information:

1. Please provide an organizational chart of the corporate structure of Southern Telcom Network, Inc. and the names and addresses of the corporate principal officers
2. Please provide a copy of Southern Network Telcom's most recent audited financial statements including Balance Sheet, Income Statement and Statement of Cash Flows. The financial information provided with the application was only through June 2004.
3. Please provide projected financial statements and a Capital Expenditures Budget for the next three (3) years.
4. Please provide a list of consumer complaints filed with any state or federal agency against Southern Telcom. Identify the nature of the complaint(s) and the action taken to resolve the complaint(s).
5. Please provide a Small and Minority-Owned Business Participation Plan consistent with Tenn Code **Ann.** § 65-5-112
6. Please provide a Toll Dialing Panty Plan consistent with FCC Docket 96-98

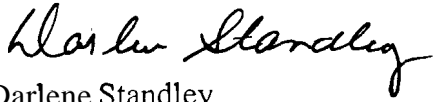
7. Please clarify the management experience of the personnel listed in your Exhibit D. For example, when stating "has been employed in the telecommunications industry since 1985," please elaborate on the specific positions held, job responsibilities, and dates of employment.
8. Please clarify statements in the affidavit of Mr. Fred Roberts indicating, "I am currently operated as a CLEC for several ILECs and as an agent for several IXCs." In which states is Southern Telecom currently operating as a CLEC, and under what name? Mr. Roberts is acting as an agent for which IXC carriers and in what states? When he states he is an agent for several IXC carriers, does Mr. Roberts mean that he is reselling long distance for these carriers?
9. How does the company intend to comply with TCA § 65-21-1 147 In its description, please explain how the company will not bill for countywide calls within Tennessee?
10. Does the company intend to telemarket its services in Tennessee? If so, is the company aware of the telemarketing statutes and regulations found in TCA § 65-4-401 *et seq* and Chapter 1220-4-11 of the Tennessee Regulatory Authority Rules?
11. T.C.A. § 65-4-125 states that, "by September 1, 2000, all telecommunications service providers subject to the control and jurisdiction of the authority, except those owners or operators of public telephone service who pay annual inspection and supervision fees pursuant to § 65-4-301 (b) or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than five million dollars (\$5,000,000), shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of twenty thousand dollars (\$20,000) to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the authority."

Please provide a \$20,000 corporate surety bond or irrevocable letter of credit to secure the payment of any monetary sanction imposed in any enforcement proceeding by or on behalf of the authority. This bond or letter of credit will be verified by the Authority prior to consideration for authority.

12. Please provide a copy of Southern Telecom's Articles of Incorporation.
13. Please provide a signed certificate of service that all eighteen of the Incumbent Local Exchange Carriers listed in your Exhibit F were served with notice of the filing of this application for certificate for authority to provide competing telecommunications services in Tennessee.

Please provide this information by June 3, 2005. In accordance with TRA rules, please submit either (1) thirteen written copies of your response or (2) four written copies and an electronic version. If you have questions concerning this request or need additional information, please contact Lisa Foust at 615-741-2904 extension 220.

Sincerely,

A handwritten signature in black ink, appearing to read "Darlene Standley". The signature is fluid and cursive, with the first name "Darlene" and last name "Standley" clearly distinguishable.

Darlene Standley
Utilities Division Chief